

CACHE MOSQUITO ABATEMENT
DISTRICT

Reviewed Financial Statements

For the Year Ended December 31, 2006

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ACCOUNTANT'S REPORT

Board of Trustees
Cache Mosquito Abatement District
Logan, Utah

I have reviewed the accompanying financial statements of the governmental activities and each major fund of the Cache Mosquito Abatement District (the District) as of and for the year ended December 31, 2006, which collectively comprise the District's basic financial statements as listed in the table of contents, in accordance with the Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. All information included in these financial statements is the representation of the District's management.

A review consists principally of inquiries of District personnel and analytical procedures applied to financial data. It is substantially less in scope than an audit in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, I do not express such an opinion.

Based on my review, I am not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with generally accepted accounting principles.

The management's discussion and analysis and budgetary comparison information on pages 2 through 5 and on page 21, respectively, are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. I have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, I did not audit the information and express no opinion on it.

MATTHEW REGEN, CPA, PC

Matthew Regen CPA PC

February 20, 2007

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the Cache Mosquito Abatement District (the District), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the year ended December 31, 2006.

FINANCIAL HIGHLIGHTS

- The assets of the District exceeded its liabilities by \$110,455 on December 31, 2006.
- The total net assets consist of \$12,414 in capital assets and \$98,041 in unrestricted net assets.
- The District had no long-term debt on December 31, 2006.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements.

The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business.

- *The statement of net assets* presents information on all of the District's assets and liabilities, with the difference between the two reported as *net assets*. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the District is improving or deteriorating. However, there will also be a need to consider other non-financial factors.
- *The statement of activities* presents information showing how the District's net assets changed during the fiscal year reported. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

Fund financial statements:

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The District has a single fund category – governmental.

See accountant's report.

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term effect of the District's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District's only major governmental fund (as determined by generally accepted accounting principles) is the General Fund.

Notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the District, assets exceeded liabilities by \$110,455.

STATEMENT OF NET ASSETS

	<u>2006</u>	<u>2005</u>
Current assets	\$ 99,418	156,256
Capital assets, net	<u>12,414</u>	<u>13,104</u>
Total assets	111,832	169,360
Current liabilities	<u>1,377</u>	<u>90,000</u>
Total liabilities	1,377	90,000
Invested in capital assets, net of debt	12,414	13,104
Unrestricted	<u>98,041</u>	<u>66,256</u>
Total net assets	\$ <u>110,455</u>	<u>79,360</u>

See accountant's report.

CHANGES IN NET ASSETS

	<u>2006</u>	<u>2005</u>
Revenues:		
Property tax	\$ 161,120	110,428
Federal grants	31,493	60,000
Other revenues	14,992	12,760
	<hr/>	<hr/>
Total revenues	207,605	183,188
Expenses:		
Mosquito abatement	153,890	100,328
Office supplies	615	644
Personnel expense	14,761	340
Other operating costs	7,244	2,516
	<hr/>	<hr/>
Total expenses	176,510	103,828
Change in net assets	31,095	79,360
Net assets – beginning	79,360	-
	<hr/>	<hr/>
Net assets – ending	\$ 110,455	79,360

FINANCIAL ANALYSIS OF GOVERNMENTAL FUNDS

The financial reporting focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information may be useful in assessing the District's financing requirements. In particular, unreserved fund balance may serve as useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the District's governmental fund reported an ending fund balance of \$98,041, an increase of \$31,785 over the prior year. All of the ending fund balance is unreserved, which means it is available to meet the future financial needs of the District.

Property taxes continue to be the largest source of revenue in the General Fund and represent 78 percent of total general fund revenues.

See accountant's report.

GENERAL FUND BUDGETARY HIGHLIGHTS

During the current fiscal year the General Fund budget for revenues was \$204,382. The actual revenue was \$207,604, resulting in a favorable variance of \$3,222 for revenue. The General Fund budget for expenditures was \$173,443. The actual expenditures were \$175,819, resulting in an unfavorable variance of \$2,376 for expenditures. Overall, the District had a favorable variance for the excess of revenues over expenditures of \$846.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital assets - The District's investment in capital assets for its governmental activities as of December 31, 2006, amounts to \$12,414 (net of accumulated depreciation). This investment in capital assets consists of mosquito abatement equipment.

As of December 31, 2006 the District has no long-term debt.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the District's finances. Questions concerning any of the information provided in this report, or requests for additional financial information, should be addressed to the Cache Mosquito Abatement District, P.O. Box 466, Hyde Park, UT 84318.

See accountant's report.

BASIC FINANCIAL STATEMENTS

CACHE MOSQUITO ABATEMENT DISTRICT
STATEMENT OF NET ASSETS
DECEMBER 31, 2006

Assets

Current assets:	
Cash and cash equivalents	\$ 39,705
Property taxes receivable	56,564
Grants receivable	<u>3,149</u>
Total current assets	99,418
Capital assets:	
Equipment	15,540
Accumulated depreciation	<u>(3,126)</u>
Net capital assets	<u>12,414</u>
Total assets	111,832

Liabilities

Accounts payable and accrued liabilities	<u>1,377</u>
Total liabilities	1,377

Net Assets

Investment in capital assets, net of related debt	12,414
Unrestricted	<u>98,041</u>
Total net assets	\$ <u><u>110,455</u></u>

See accompanying notes and accountant's report.

CACHE MOSQUITO ABATEMENT DISTRICT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2006

	Expenses	Program Revenues			Changes in Net Assets Governmental Activities
		Charges for Services	Operating Grants & Contributions	Capital Grants & Contributions	
Governmental activities:					
Mosquito abatement	\$ 153,890	12,923	-	-	\$ (140,967)
Office supplies	615	-	-	-	(615)
Personnel expense	14,761	-	-	-	(14,761)
Other operating costs	7,244	-	-	-	(7,244)
Total primary government	\$ 176,510	12,923	-	-	(163,587)
General revenues:					
Taxes:					
Property tax					161,120
Federal grants					31,493
Total taxes					192,613
Interest income					2,069
Total general revenues					194,682
Change in net assets					31,095
Net assets - beginning					79,360
Net assets - ending					\$ 110,455

See accompanying notes and accountant's report.

CACHE MOSQUITO ABATEMENT DISTRICT
BALANCE SHEET - GOVERNMENTAL FUND
DECEMBER 31, 2006

	<u>Assets</u>	<u>General Fund</u>	<u>Total Governmental Fund</u>
Cash and cash equivalents	\$ 39,705	39,705	
Property taxes receivable	56,564	56,564	
Grants receivable	3,149	3,149	
Total assets	<u>99,418</u>	<u>99,418</u>	
	<u>Liabilities and Fund Equities</u>		
Liabilities:			
Accounts payable and accrued liabilities	<u>1,377</u>	<u>1,377</u>	
Total liabilities	1,377	1,377	
Fund equity:			
Unreserved fund balance	<u>98,041</u>	<u>98,041</u>	
Total fund equity	<u>98,041</u>	<u>98,041</u>	
Total liabilities and fund equity	<u>\$ 99,418</u>	<u>99,418</u>	

See accompanying notes and accountant's report.

CACHE MOSQUITO ABATEMENT DISTRICT
RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUND
TO THE STATEMENT OF NET ASSETS
DECEMBER 31, 2006

Total fund balance for governmental fund \$ 98,041

Net assets are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.

Equipment	\$ 15,540	
Accumulated depreciation	<u>(3,126)</u>	<u>12,414</u>

Net assets of governmental activities \$ 110,455

See accompanying notes and accountant's report.

CACHE MOSQUITO ABATEMENT DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN
FUND BALANCE - GOVERNMENTAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2006

	General Fund	Total Governmental Fund
Revenues:		
Property taxes	\$ 161,120	161,120
Federal grants	31,493	31,493
Other revenues	14,991	14,991
	<hr/>	<hr/>
Total revenues	207,604	207,604
	<hr/>	<hr/>
Expenditures:		
Mosquito abatement	151,772	151,772
Office supplies	615	615
Personnel expense	14,761	14,761
Other operating costs	8,671	8,671
	<hr/>	<hr/>
Total expenditures	175,819	175,819
	<hr/>	<hr/>
Excess (deficiency) of revenues over expenditures	31,785	31,785
	<hr/>	<hr/>
Net change in fund balance	31,785	31,785
	<hr/>	<hr/>
Fund balance - beginning of year	66,256	66,256
	<hr/>	<hr/>
Fund balance - end of year	\$ 98,041	98,041
	<hr/>	<hr/>

See accompanying notes and accountant's report.

CACHE MOSQUITO ABATEMENT DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGE IN FUND BALANCE - GOVERNMENTAL FUND
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2006

Net change in fund balance - Total governmental fund	\$ 31,785
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Governmental funds report capital outlays as expenditures.
However, in the Statement of Activities, the cost of those assets is
allocated over their estimated useful lives as depreciation expense.
This is the amount by which depreciation of \$2,118 exceeded
capital outlays of \$1,428 in the current year.

(690)

Change in net assets of governmental activities	\$ <u><u>31,095</u></u>
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See accompanying notes and accountant's report.

CACHE MOSQUITO ABATEMENT DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2006

Note 1 – Summary of Significant Accounting Policies

Reporting Entity

The Cache Mosquito Abatement District (the District) is a special service district created in December of 2004 to control the infestation of mosquitoes throughout most of Cache County. The District is governed by a board of trustees represented by each community in the District including the unincorporated areas. Each trustee serves a four-year term. The District is not a component unit of another organization.

The accounting and reporting policies of the District relating to the accompanying financial statements conform to accounting principles generally accepted in the United States of America (GAAP) applicable to state and local governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Governments are also required to follow the pronouncements of the Financial Accounting Standards Board (FASB) issued prior to December 1, 1989, which do not conflict with or contradict GASB pronouncements. The District has elected not to follow FASB pronouncements issued after November 30, 1989 in the preparation of these financial statements. The following represents the more significant accounting and reporting policies and practices used in the preparation of these financial statements:

Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the District and its component units. The interfund activity has been removed from these statements. Governmental activities, normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely significantly on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: (a) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or identifiable activity; and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or identifiable activity. Taxes and other items not properly included among program revenues are reported instead as general revenue.

Note 1 – Summary of Significant Accounting Policies (continued)

The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business.

- *The statement of net assets* presents information on all of the District's assets and liabilities, with the difference between the two reported as *net assets*. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the District is improving or deteriorating. However, there will also be a need to consider other non-financial factors.
- *The statement of activities* presents information showing how the District's net assets changed during the fiscal year reported. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

Fund financial statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The District has a single fund category – governmental.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenue in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. The District applies expenses for restricted resources first when both restricted and unrestricted net assets are available.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenue is recognized as soon as it is both measurable and available. Revenue is considered to be available if it is collected within the current period or soon enough thereafter to pay liabilities of the current period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, expenditures relating to compensated absences, and claims and judgments are recognized only when payment is due.

Property taxes, state-shared revenue, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the

Note 1 – Summary of Significant Accounting Policies (continued)

current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be available only when cash is received by the District.

The District reports the following major governmental fund:

The General Fund is the District's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

Capital Assets

Capital assets, which include mosquito abatement equipment and office equipment, are defined by the District as assets with an estimated useful life in excess of three years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Depreciation of all exhaustible fixed assets used is charged as an expense against the District's operations. Accumulated depreciation is reported on the financial statements. Depreciation has been provided over the estimated useful lives using the straight-line method. The estimated useful lives are as follows:

Mosquito abatement equipment	7 years
Office equipment	7 years

In the governmental fund financial statements, the acquisition or construction of capital assets is accounted for as capital outlay expenditures.

Property Taxes

Cache County assesses all taxable property other than centrally assessed property, which is assessed through the state, by May 22 of each year. The District must adopt a final tax rate prior to June 22, which is then submitted to the State for approval. Property taxes are due on November 30. Delinquent taxes are subject to a penalty of 2% or \$10.00, whichever is greater. After January 16 of the following year, delinquent taxes and penalties bear interest at 6% above the federal discount rate from January 1 until paid.

Property tax revenues are recognized when they become measurable and available. Amounts available include those property tax receivables expected to be collected within 60 days after year-end.

Note 1 – Summary of Significant Accounting Policies (continued)

Budgets

Budgets are adopted on a basis consistent with generally accepted accounting principles. Annual budgets are adopted for governmental fund types. Encumbrance accounting is not employed by the District in its governmental funds, therefore all annual appropriations lapse at fiscal year end.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Actual results could differ from those estimates.

Equity Classifications

Equity in the government-wide financial statements is classified as net assets and displayed in three components:

- Invested in capital assets, net of related debt – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, notes, or other borrowings that are attributable to the acquisition, construction or improvement of these assets.
- Restricted net assets – Consists of net assets with constraints placed on the usage whether by 1) external groups such as creditors, grantors or laws and regulations of other governments; 2) law through constitutional provisions or enabling legislation.
- Unrestricted net assets – All other net assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

Governmental fund equity is classified as fund balance in the fund financial statements. Fund balance is further classified as reserved and unreserved.

Cash and Cash Equivalents

For the purpose of the Statement of Net Assets, the term “cash and cash equivalents” includes all demand deposit accounts, savings accounts, or other short-term, highly-liquid investments.

Note 2 – Deposits and Investments

The District follows the requirements for the Utah Money Management Act (*Utah Code*, Section 51, Chapter 7) in handling its depository and temporary investment transactions. This Act requires the depositing of District's funds in a "qualified depository". The Act defines a "qualified depository" as any financial institution whose deposits are insured by an agency of the federal government and which has been certified by the Utah Commissioner of Financial Institutions as meeting the requirements of the Act and adhering to the rules of the Utah Money Management Council.

Deposits

Custodial Credit Risk – Custodial credit risk is the risk that, in the event of a bank failure, the District's deposits may not be returned. The District does not have a formal deposit policy for custodial credit risk. As of December 31, 2006 none of the District's bank balances were uninsured and/or uncollateralized.

Investments

The Act defines the types of securities authorized as appropriate investments for the District and the conditions for making investment transactions. Investment transactions may only be conducted through qualified depositories, certified dealers or directly with the issuers of the investment securities.

Statutes authorize the District to invest in negotiable or nonnegotiable deposits of qualified depositories and permitted negotiable depositories; repurchase and reverse repurchase agreements; commercial paper that is classified as "first tier" by two nationally recognized statistical rating organizations, one of which must be Moody's Investors Service or Standards & Poor's; bankers' acceptances; obligations of the United States Treasury including bills, notes and bonds; bonds, notes and other evidence of indebtedness of political subdivisions of the state; fixed rate corporate obligations and variable rate securities rated "A" or higher, or the equivalent of "A" or higher, by two nationally recognized statistical rating organizations; shares or certificates in money market mutual fund as defined by the Act; and the Utah State Public Treasurer's Investment Fund (PTIF).

The Utah State Treasurer's Office operates the PTIF. The PTIF is available for investment of funds administered by any Utah public treasurer.

The PTIF is not registered with the SEC as an investment company. The PTIF is authorized and regulated by the Act established by the Money Management Council, which oversees the activities of the state treasurer and the PTIF, and details the types of authorized investments. Deposits in the PTIF are not insured or otherwise guaranteed by the State of Utah, and participants share proportionally in any realized gains or losses on investments.

Note 2 – Deposits and Investments (continued)

The PTIF operates and reports to participants on an amortized cost basis. The income, gains and losses, net of administrations fees, of the PTIF are allocated based upon the participant's average daily balance. The fair value of the PTIF investment pool is approximately equal to the value of the pool shares.

The District's investments on December 31, 2006, consisted of the following:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Maturities</u> (Less than one year)	<u>Quality Rating</u>
State of Utah PTIF	<u>\$36,069</u>	<u>\$36,069</u>	Unrated

Interest Rate Risk – Interest rate risk is the risk that changes in the interest rates will adversely affect the fair value of an investment. The District's policy for managing its exposure to fair value loss arising from increasing interest rates is to comply with the Act. Section 51-7-11 of the Act requires that the remaining term to maturity of investments may not exceed the period of availability of the funds to be invested. The Act further limits the remaining term to maturity on all investments in commercial paper, bankers' acceptances, fixed rate negotiable deposits and fixed rate corporate obligations of 270 to 365 days or less. In addition, variable rate negotiable deposits and variable rate securities may not have remaining term to final maturity exceeding two years.

Credit Risk – Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The District's policy for reducing its exposure to credit risk is to comply with the Act as previously discussed. See the quality ratings on the investment schedules above.

Custodial Credit Risk – For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The District does not have a formal investment policy for custodial credit risk in regard to the custody of the District's investments.

Concentration of Credit Risk – Concentrations of credit risk is the risk of loss attributed to the magnitude of government's investment in a single issuer. The District's policy for reducing this risk of loss is to comply with the Rules of Money Management Council.

Note 3 – Capital Assets

Capital asset changes occurring for the year ended December 31, 2006, are as follows:

	<u>January 1, 2006</u>	<u>Additions</u>	<u>Deletions</u>	<u>December 31, 2006</u>
<u>Governmental activities:</u>				
Capital assets being depreciated:				
Equipment	\$ <u>14,112</u>	<u>1,428</u>	<u>-</u>	<u>15,540</u>
Total capital assets being depreciated	<u>14,112</u>	<u>1,428</u>	<u>-</u>	<u>15,540</u>
Accumulated depreciation for:				
Equipment	<u>(1,008)</u>	<u>(2,118)</u>	<u>-</u>	<u>(3,126)</u>
Total accumulated depreciation	<u>(1,008)</u>	<u>(2,118)</u>	<u>-</u>	<u>(3,126)</u>
Total capital assets being depreciated, net	<u>13,104</u>	<u>(690)</u>	<u>-</u>	<u>12,414</u>
Total governmental activities capital assets, net	\$ <u>13,104</u>	<u>(690)</u>	<u>-</u>	<u>12,414</u>

Depreciation expense was charged to functions of the District as follows:

Mosquito abatement \$ 2,118

REQUIRED SUPPLEMENTARY INFORMATION

CACHE MOSQUITO ABATEMENT DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2006

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues:				
Property tax	\$ 158,737	158,737	161,120	2,383
Federal grants	32,993	32,993	31,493	(1,500)
Other revenues	12,652	12,652	14,991	2,339
Total revenues	<u>204,382</u>	<u>204,382</u>	<u>207,604</u>	<u>3,222</u>
Expenditures:				
Mosquito abatement	152,000	152,000	151,772	228
Office supplies	750	750	615	135
Personnel expense	11,831	11,831	14,761	(2,930)
Other operating cost	8,862	8,862	8,671	191
Total expenditures	<u>173,443</u>	<u>173,443</u>	<u>175,819</u>	<u>(2,376)</u>
Excess (deficiency) of revenues over expenditures	<u>30,939</u>	<u>30,939</u>	<u>31,785</u>	<u>846</u>
Other financing uses:				
Transfers out:				
Capital Projects Fund	<u>(30,939)</u>	<u>(30,939)</u>	<u>-</u>	<u>-</u>
Total other financing uses	<u>(30,939)</u>	<u>(30,939)</u>	<u>-</u>	<u>-</u>
Change in fund balance	\$ <u>-</u>	<u>-</u>	31,785	<u>846</u>
Fund balance - beginning of year			<u>66,256</u>	
Fund balance - end of year	\$		<u>98,041</u>	

See accountant's report.

CACHE MOSQUITO ABATEMENT DISTRICT
NOTE TO BUDGETARY COMPARISON SCHEDULE
DECEMBER 31, 2006

Expenditure in Excess of Budget

For the budget category *personnel expense*, the general fund had expenditures in excess of budget in the amount of \$2,930 for the year ended December 31, 2006.

See accountant's report.